GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:4637
ANSWERED ON:23.08.2001
INLAND WATER SYSTEM
AMBATI BRAHMANAIAH

Will the Minister of SHIPPING be pleased to state:

(a) whether, the Inland Waterways System is running some demonstration of river vessels in some parts of the country;

(b) if so, the details thereof;

(c) the cost of such demonstration work;

(d) the gains from this expenditure;

(e) whether there is a proposal to wind up such work;

(f) if so, the sectors where such river borne vessels are being run; and

(g) the steps proposed to devise new system to use the river network already available in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI HUKUMDEO NARAYAN YADAV)

(a) Yes sir.

(b) Inland Waterways Authority of India (IWAI) which has been entrusted with the responsibility for regulation and development of Inland Water Transportation (IWT) in the country has deployed a cargo vessel `M.V. Rajagopalachari` available with the organization on National Waterway No.1 (The Ganges) for demonstration of navigability of the waterway on its various sectors for transportation of cargo.

(c) The cost of demonstration would depend upon the deployment of vessel in particular stretch of the waterway and the river distance covered. IWAI makes possible efforts to recover the expenses to the extent possible in a particular voyage by way of freight charged from the shippers for transportation of their cargo.

(d) Demonstration has to be carried out to establish the navigability of the Waterway and to create confidence amongst the shippers that their products can be carried safely and reach in time by the IWT mode.

(e) No. Sir.

(f) At present demonstration voyages have been conducted on NW-1 as there is only one cargo vessel presently with IWAI.

(g) The Government has taken a series of decisions including adoption of a policy package to attract private sector participation and investment, which are as follows :

-• Inland Waterways Authority of India (IWAI) to enter into joint ventures with private sector;

-• Equity participation upto a maximum of 40% by Govt. in BOT projects;

-• Tax exemption as available in infrastructure sector;

-• Enhancement in depreciation rate for inland vessels at par with the rate applicable to ocean going vessels;

-• Vessels Building Subsidy of 30% for ship owners for inland vessels built in Indian Shipyards; and

-• Levying minimum customs duty on imported equipment and machinery for the development of inland waterways.